

1. The quota should be an exact, known figure. The 10-percent override provisions have proved inexact and contribute to confusion.

2. The quota should be allocated on a quarterly rather than an annual basis. This would help to stabilize matters and would minimize radical up-and-down gyrations in supplies. Such a policy would be more competent from the standpoint of all concerned.

3. The base period for quotas should be changed from 1959-63, at present in use, to 1958-62; 1963 was an abnormally high import year, and the 1958-62 base period would be fairer and more representative.

4. The imports to be covered should be broadened to include canned, cooked or cured items. In 1964 it was believed by many that these items, then only minor parts of total meat imports, would remain so. That has not been the case. With new developments it has become only too clear that canned, cooked, or cured items must be covered as well as fresh, chilled, or frozen meat.

5. Offshore purchases by our Armed Forces should be considered in calculating the quota. This is not to imply any restriction on the military from purchasing abroad when that is the most economical and competent way to proceed, but such purchases should be included in the overall quota figure.

The domestic cattle industry must be able to foresee some stability in its operating conditions or capital will take flight to other fields, a phenomenon we have seen all too often in recent years as the result of the insurge of various imports.

This need not involve any major price impact. A 6-percent profit is usually considered a reasonable one, and to achieve this figure, prices would have to be only modestly above those of today.

We have now seen the present law in existence for more than 31½ years. Foreign countries meanwhile have continued extensive export drives zeroed in specifically on the United States. Experience shows these additional guidelines are necessary and wise to assure the survival of our domestic industry and give it a fair chance.

Dairy imports constitute a critical problem, one on which legislative action is urgently needed. The fact that approximately half the Members of Congress have introduced bills on this subject speaks for itself.

Since our bills were introduced at the beginning of this Congress, the administration has acted more than once administratively to put some limit on the mounting tide of dairy products, which is taking first one form and then another as various regulations are adopted. The latest action places temporary quotas on condensed and evaporated milk and creams.

This comes on top of a situation where dairy imports already had reached 500 percent of their average figure for the period 1947-62.

Few dispute the gravity of the situation for the industry. The Department of Agriculture is to be praised for its administrative moves to ease the situation. But I feel strongly that an expression of specific guidelines by Congress is needed at once. A matter like this should have the basis of the stability of law rather than the uncertainty of administrative decree.